# Ministry of Intergovernmental Relations

# Annual Report

April 1, 1983 to March 31, 1984

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Honourable Garde B. Gardom

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**Honourable Garde B. Gardom**
Minister of
Intergovernmental Relations

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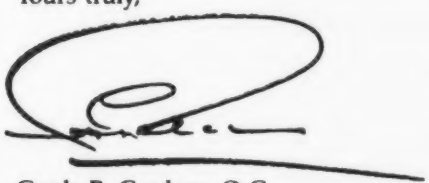
December 10, 1984

The Honourable Robert Gordon Rogers
Lieutenant-Governor of British Columbia

MAY IT PLEASE YOUR HONOUR:

Herewith I respectfully submit the Annual Report of the Ministry of Intergovernmental Relations for the fiscal year ended March 31, 1984.

Yours truly,



Garde B. Gardom, Q.C.
Minister.

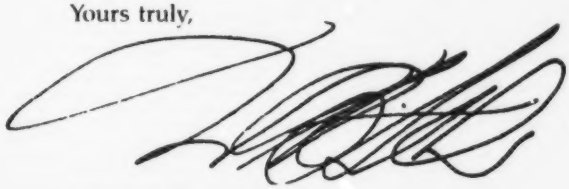
December 7, 1984

The Honourable Garde B. Gardom, Q.C.
Minister of Intergovernmental Relations
Parliament Buildings
Victoria, B.C.

Sir:

I have the honour to submit the Annual Report of the Ministry of Intergovernmental Relations for the fiscal year ended March 31, 1984.

Yours truly,



MELVIN H. SMITH
Deputy Minister

# Introduction

## The Ministry of Intergovernmental Relations

## An Overview

The Ministry of Intergovernmental Relations was established by Premier William R. Bennett on November 23, 1979. Three major Divisions within the Ministry reflect the Ministry's mandate:

- **Constitutional Affairs Division**

Few governments in Canada have, over the past number of years, contributed as much to the process of constitutional reform as has British Columbia. The government's commitment to this process continues to find expression in the Constitutional Affairs Division of the Ministry.

- **Federal-Provincial Relations Division**

The overview and co-ordination of federal-provincial relations is provided by the Federal-Provincial Relations Division of the Ministry.

- **Cabinet Secretariat**

In British Columbia, Cabinet Committees, as an on-going feature of Cabinet decision-making began to operate in 1976 in the Office of Intergovernmental Relations which then was part of the Premier's Office. Today that function has been enlarged to meet the growing demands and diversification of Cabinet Committees, and is performed by the Ministry's Cabinet Secretariat.

The work of each of these Divisions during the 1983-84 period is reported in the pages that follow.

# Constitutional Affairs and Special Projects Division

*The Ministry of Intergovernmental Relations Act* — concisely defines the Ministry's broad mandate: ". . . to co-ordinate and develop British Columbia's policy on proposals to reform federalism" and "to make recommendations in relation to federal-provincial, interprovincial and extra-provincial affairs."

Within the Ministry the responsibility for this role — the reform of Canadian federalism and British Columbia's proposals to change the Constitution of Canada — devolves upon the Constitutional Affairs and Special Projects Division.

The Division monitors all federal-provincial developments affecting constitutional and jurisdictional issues within Canadian federalism. It advises, briefs and represents the British Columbia government in constitutional and jurisdictional discussions.

In this report, which covers the period April 1, 1983 to March 31, 1984, the Division's activities are categorized under the major headings of Non-Aboriginal Constitutional Reform, Aboriginal Constitutional Reform, and Special Projects.

## Non-aboriginal Constitutional Reform

British Columbia continues to have as its main priorities for constitutional reform, the entrenchment of property rights for all Canadians and the reform of the central institutions of Canadian federalism to give this province a greater voice in national decision-making.

### (a) Property Rights

British Columbia was the first province to initiate an amendment to the Constitution under the new amending procedure. On September 21, 1982, the British Columbia Legislature unanimously adopted the following resolution moved by the Minister:

> Be it resolved that, as the *Constitution Act, 1982* provides that an amendment to the Constitution of Canada may be initiated by the Legislative Assembly of a province, We, the Members of the Legislative Assembly of the Province of British Columbia hereby authorize the Governor General to issue a Proclamation under the Great Seal of Canada to amend section 7 of the Canadian Charter of Rights and Freedoms so that it reads as follows:
>
> "7. Everyone has the right to life, liberty, security of the person and enjoyment of property, and the right not to be deprived thereof except in accordance with the principles of fundamental justice."
>
> and urge that the Legislative Assemblies of all other provinces and the Senate and House of Commons pass similar resolutions.

The Minister of Intergovernmental Relations, the Hon. Garde B. Gardom, Q.C., travelled to other provinces seeking support for the property rights resolution in their legislatures.

On April 8, 1983, Prime Minister Trudeau offered to present a resolution in identical terms to that passed by the British Columbia Legislature. Meanwhile, on April 28, 1983, the Hon. Jake Epp, on behalf of the Progressive Conservative Party of Canada introduced a resolution calling for an amendment to s. 7 of the Charter identical to that passed unanimously by the Legislature of British Columbia in September 1982, but as it was put as a non-confidence motion it was defeated by the then government.

Other governments reacted in various ways. The Yukon Legislative Assembly on November 24, 1983 passed a property rights resolution identical to British Columbia's. Premier William Davis of Ontario expressed his government's support but no

resolution was introduced in the Ontario Legislature in the period covered by this report. New Brunswick's Legislature passed a resolution on June 28, 1983 supporting the entrenchment of property rights.

The proposed amendment to the Constitution requires a resolution of the federal Parliament plus resolutions by seven provinces having at least fifty percent of the population of Canada.

## (b) Senate Reform

Senate reform has been sought by the British Columbia government since 1976. In recent years the federal government has shown increasing interest in the issue of reform of Canada's central institutions, including the Senate.

The mandate of the Macdonald Royal Commission on Canada's Economic Prospects, established on November 5, 1982, included study of the reform of such institutions. The following month a second and more substantive indication of federal interest occurred when the Parliamentary Committee on Senate Reform was established. Its order of reference stated that "the committee include in its final report recommendations concerning the method of selection, powers, length of term for Senators, distribution of seats and other matters that the committee considers relevant to the reform of the Senate."

In a submission to the committee on October 6, 1983, Mr. Gardom outlined some of the principles which he suggested should guide discussion of Upper House Reform:

- That a major purpose of a reformed Senate should be to bring to bear on the national decision-making process regional or provincial concerns.
- That the new Upper House should have the role of addressing certain crucial federal provincial issues of particular concern to provincial governments, with direct provincial government input.
- That a reformed Senate should continue its function as a chamber of sober second thought.
- That, in continuance of its present status, a reformed Senate should not be a confidence body with the power to defeat a government and thus precipitate a general election.
- That the selection of Senators solely through federal appointment must be replaced, either by a system allowing each of the two levels of government to select half of the Senators, or one allowing each of the eleven governments to chose how it selects its Senators (by appointment, by election, or by a combination of both).
- That the distribution of Senate seats be such that the Upper House would act as a counterbalance to the Lower House's representation by population. This would entitle the smaller provinces and those geographically remote from Ottawa to relatively stronger representation.

On January 31, 1984, the report of the Special Joint Committee on Senate Reform was tabled in the House of Commons calling for a directly elected Senate whose principle role would be regional representation. The report specifically rejected any role for the Senate in ameliorating federal-provincial relations.

## (c) Administrative Tribunals

In August 1983 the federal government produced a discussion paper suggesting an amendment to s. 96 of the *Constitution Act, 1867* that would enable provincially constituted tribunals to have clear jurisdiction over matters within provincial jurisdiction. This proposal, the culmination of federal-provincial discussions over some years, received substantial support from governments across Canada.

# Aboriginal Constitutional Reform

British Columbia, through this Ministry, took a leading role in furthering Canada's first major constitutional action since the historical conference that led to the *Constitution Act, 1982*. This was the First Ministers' Conference on Aboriginal Constitutional Matters, held in 1983, followed by a second such conference in 1984.

In the wake of an accord reached at the 1983 Conference, the British Columbia Legislature on October 21, 1983 unanimously adopted a resolution, moved by the Minister, supporting an amendment to the newly revised Constitution, clarifying its provisions regarding the aboriginal peoples and requiring that at least two further constitutional conferences of First Ministers on aboriginal matters be held in the following four years — the first before April 17, 1985 and the second before April 17, 1987. As agreed in the 1983 accord the first conference agreed to was held in Ottawa on March 8–9, 1984.

In Ottawa in November 1983, Ministers and aboriginal representatives agreed to an agenda and established four working groups of officials. The first working group focussed on equality rights; the second, aboriginal title and aboriginal rights, treaties and treaty rights; the third, land and resources, including issues concerned with the Metis; and the fourth, aboriginal self-government.

These working groups met five times between November 1983 and February 1984. Each tabled a report of its deliberations which became the basis for discussions by Ministers and Native leaders at meetings in Yellowknife on January 25–26, 1984 and in Toronto on February 13–14, 1984. These meetings established the basis for the discussion at the 1984 First Ministers' Conference.

Three issues dominated the talks of the First Ministers' Conference of March 8–9, 1984: first, whether the principle of aboriginal self-government should be entrenched in the Constitution; whether the provisions in the *Constitution Act, 1982* regarding aboriginal sexual equality should be further amended; and the place of the Metis as an aboriginal people.

No constitutional amendments were forthcoming from the Conference but, progress is expected toward a fuller understanding of all the issues and their implications as the governments and the aboriginal organizations prepare for the next First Ministers' Conference on Aboriginal Constitutional Matters which is required to be held before April 17, 1985.

# Special Projects

## Offshore Resources

The Ministry continued to play an important role in the major federal-provincial issue of ownership of offshore resources.

In September 1983 a federal-provincial agreement established a joint environmental review process to assess the effects of offshore oil and gas exploration on British Columbia's Northwest coast. Hearings throughout the area are expected in 1985.

## Canada-U.S. West Coast Salmon Agreement

In December 1982, after long negotiations, representatives of Canada and the United States initialled a draft treaty that would have enabled both nations to co-operatively manage and conserve salmon stocks and to receive benefits equivalent to the production of salmon originating in their respective waters.

In 1983 the Governor of Alaska raised objections to part of the draft treaty and the United States government appeared to wish to renegotiate the intent of the treaty. The parties reconvened in November 1983 and again in January 1984, but after eleven days of discussion the talks broke down on January 26 when the United States representative rejected the best Canadian negotiating position. British Columbia was represented on the Canadian negotiating team by the then Deputy Minister (Constitutional Affairs) and senior officials of the Ministry of Environment.

British Columbia, seeking to conserve its salmon resources through co-operative and mutually beneficial enhancement projects, continues to support the need for a treaty and to urge a resumption of negotiations.

# Federal-Provincial Relations Division

This division has three areas of responsibility: international relations, federal-provincial relations, and co-ordination of visits and conferences. During the period of this report, the Support Services Branch was attached to it.

## International Relations

The division is the main point of contact between the British Columbia government and the federal Department of External Affairs, acting as the conduit for information and co-ordinating the provincial response to federal requests for input on issues with international ramifications.

*Skagit Valley:*

The Ministry, in its role as co-ordinator in transboundary disputes, took part in settling the long-standing issue with Seattle City Light over the possible flooding of the Skagit Valley. On March 30, 1984 British Columbia and Seattle signed an agreement settling the question, and on April 2nd, the Canadian and United States governments signed the corresponding international treaty.

*Stikine-Iskut:*

On another major issue, the Stikine question, the Ministry continued to provide the British Columbia co-chairman for the British Columbia-Alaska Information Exchange Committee, which held its third meeting in Vancouver on September 22, 1983. B.C. Hydro's projected demands for electricity indicate that the Stikine-Iskut hydro-electric projects will not be needed until early in the 21st century. The Information Exchange Committee's work will therefore diminish; the next meeting will be at the call of Alaska.

*Sage Creek:*

The Ministry co-ordinated British Columbia's efforts concerning the Sage Creek issue, which also involves the United States government and the State of Montana. In August 1983 Premier William Bennett discussed the proposed Sage Creek coal project with Governor Schwinden of Montana; in September the Environment and Land Use Technical Committee met with Montana officials, and in November with United States federal officials. In January 1984 the province took part in formal Canada-United States consultations on the project, following which the Cabinet Committee on Environment and Land Use gave the project approval in principle.

The Ministry continues to co-ordinate the issue for British Columbia, and in this role provides an observer on Montana's Flathead Basin Commission.

The Ministry plays a major part in regional relations involving the United States. It represented the Premier at the Western Governor's Conference in Kalispell, Montana, in June 1983, and arranged the Premier's meeting with Governor Schwinden of Montana in August 1983, with Governor Spellman of Washington in February 1984, and with Governor Deukmejian of California, also in February 1984. The Ministry co-ordinated preparations for the Alaska-British Columbia-Yukon Heads of Government Meeting in Vancouver on September 1983.

Other international issues in which the Ministry took part included transborder trucking with the United States, access across the Alaska Panhandle, planning for B.C.'s involvement in International Youth Year, the boycott of Canadian salmon in the United Kingdom, and testing of the Cruise missile.

## Federal-Provincial Relations

This division provides briefs and logistical support for British Columbia at federal-provincial and interprovincial conferences. It carried out this role for the 24th annual Premiers' Conference in Toronto on August 9–12, 1983, and entirely arranged the 1984 Western Premiers' Conference scheduled for April in Kelowna.

The federal-provincial information system was extended in 1983-84. The listing of joint issues is now updated quarterly, augmented by a monthly Provincial Round-up of important policy developments in other provinces.

The Ministry contributed to the Government's position on a wide range of federal-provincial issues including the Macdonald Commission, the *Young Offenders Act*, Bill S-31 on provincial ownership of transportation companies, possible amendments to the *Patent Act* that would affect the pharmaceuticals industry, possible revision of the *Copyright Act*, and privacy legislation. The Ministry also monitors such key areas as health, energy, economic development policy, transportation and fisheries. It is involved in issues with neighbouring Canadian jurisdictions — for example, by providing a representative on the British Columbia-Alberta Technical Committee on Water Management Issues, whose work is focussed on the Peace River.

# Visits and Conferences

This branch co-ordinated 63 visits to the province in 1983-84 by foreign diplomats, politicians, government officials, academics, journalists and others, chiefly concerned with aboriginal rights, constitutional matters, trade, agriculture and energy. Visitors were received from West Germany, Japan, France, Britain, Israel, the People's Republic of China, Hong Kong, Australia, Belgium and the United States.

The Ministry also helped brief a number of Canadian Ambassadors-Designate before they took up their positions abroad, and assisted in the planning of several foreign visits by British Columbia Ministers and officials.

# Support Services

The Support Services Branch in 1983-84 continued to provide a comprehensive range of financial, personnel, operations and information services and systems for the Ministry, and the operation of the Cabinet Committee documentation system. It works in such diverse areas as annual estimates, recruitment of staff, labour relations, and performance appraisal programs.

In March 1984 the Document Processing Centre installed a computer-based information system to record Cabinet Committee activities, to enhance the management of matters coming before Cabinet and its committees.

# Compensation Stabilization Program

The Ministry continued its contribution in developing the Compensation Stabilization Program, assisting in drafting the revised CSP Guidelines and Regulations pursuant to the passage of the *Compensation Stabilization Amendment Act*, given Royal Assent in October 1983. It also worked on responses to complaints against the CSP filed with the International Labour Organization.

Material on the province's restraint program was also prepared by the Ministry for the federal-provincial Subcommittee on Restraint Programs of the Continuing Committee of Officials on Fiscal and Economic Matters.

# Cabinet Secretariat

The Ministry of Intergovernmental Relations has been given the responsibility, through its Cabinet Secretariat, of managing and co-ordinating the operation of Cabinet and Cabinet Committees. Its work includes briefing committee members, preparing agendas, recording committee decisions, and ensuring implementation and follow-up.

In 1983-84 the Cabinet Secretariat was responsible for the operation of twelve committees of Cabinet, including three standing committees — Economic Development, Social Services, and Environment and Land Use — representing the substantive policy spheres.

The co-ordinating committees it manages are the Cabinet Committee on Planning and Priorities, which reviews the policy decisions of the standing and special committees, and the Cabinet Committee on Legislation, which reviews legislation to ensure that draft laws comply with government policy.

The special committees are the Cabinet Committee on Coal Development, the Cabinet Committee on Urban Transit, and the Cabinet Committee on Federal-Provincial Relations.

Ancillary to the three Standing Committees are committees of Deputy Ministers of the ministries concerned, for which the Cabinet Secretariat provides parallel services.

In 1983-84 the Cabinet and Deputy Ministers' committees met a total of about 200 times and considered more than 700 items.

## Economic Development Committee

This committee, under the chairmanship of the Hon. Robert McClelland, Minister of Labour, meets weekly to consider issues of major economic importance and to hear presentations from groups representing business, labour, the professions, communities, and different levels of government. The committee heard 24 presentations in 1983-84 from groups reflecting a wide variety of industrial sectors in British Columbia.

The committee continued to oversee studies exploring the economic potential of the Northwest and also carried on its initiative of visiting firms belonging to the Canadian Manufacturer's Association to study their problems at first hand.

## Social Services Committee

Chaired in 1983-84 by the Hon. Grace McCarthy, Minister of Human Resources, this committee considers major social policy issues that cut across ministerial mandates. It hears presentations on specific issues from groups and organizations with an interest in social policy.

In 1983-84 the committee met 27 times.

## Environment and Land Use Committee

Chaired in 1983-84 by the Hon. Anthony Brummet, Minister of Environment and Lands, this committee is responsible for resolving land use conflicts and integrating land and resource use policy. It examines the impact on the environment of major development projects. The committee also deals with appeals from decisions of the Agricultural Land Commission.

# Planning and Priorities Committee

This committee, chaired by Premier William Bennett, meets to consider the conduct of general provincial policies and the establishment of government priorities.

# Legislation Committee

The chairman of this committee is the Hon. Garde B. Gardom, Q.C., Minister of Intergovernmental Relations and Government House Leader. Its primary responsibility is to ensure that all draft legislation or revisions to existing legislation reflect government policy.

In 1983-84 the committee met 38 times and considered 163 pieces of draft legislation.

# Federal-Provincial Relations

This committee, chaired by the Hon. Garde B. Gardom, Q.C., meets as required to co-ordinate federal-provincial relations and initiatives.

# Coal Development Committee

Chaired by the Hon. Don Phillips, Minister of Industry and Small Business Development, this committee oversees the Northeast Coal Development. It reviews project status reports on emerging or potential socio-economic problems, deals with measures taken by line ministries to lessen or resolve such problems, and considers new measures for effective management.

In 1983-84 the committee wound up most of its activities related to this largely completed development.

# B.C. Transit Committee

The Hon. Grace McCarthy, Minister of Human Resources, chairs this committee, which is largely responsible for considering all major policy issues relating to the B.C. Transit Authority and its mandate, as well as its annual operating and capital budgets.

# B.C. House, Ottawa

B.C. House is the province's official presence in the nation's capital. In 1983-84 it continued to serve as a communications and information conduit between British Columbia and the federal government. Much of its work focussed on monitoring important federal legislative initiatives. It also provided administrative support for the Premier, Ministers and senior officials visiting Ottawa to attend intergovernmental meetings and conferences.

There were a number of ongoing issues with provincial implications which B.C. House studied, including the *Canada Health Act*, the federal restraint program, Senate reform, justice and fiscal matters, and proposals concerning the Canadian Intelligence Securitiy Service and the *Divorce Act*.

The Director of British Columbia House attended several federal-provincial and interprovincial conferences in the areas of tourism, justice, status of women, transportation, economic development, industry, UNESCO, and the Constitution, in some cases officially representing the province.

B.C. House responded to numerous tourism and relocation inquiries, and opportunities to promote EXPO 86, the province's world-class transportation exposition scheduled for 1986.

# B.C. House, London

Through B.C. House, the province has enjoyed 112 years of continuous representation in London, the first agent-general having been appointed in 1872. During 1983-84 the incumbent, Alex Hart, Q.C., began his fourth year of service in the handsome Regent Street building — which, although under the over-all jurisdiction of the Ministry of Intergovernmental Relations, also provides space to two other ministries, Tourism and Industry and Small Business Development.

The small B.C. House staff represents an important presence for the province in the United Kingdom and elsewhere in Europe. B.C. House enjoys ties with the British government, the Canadian High Commission, the European business community, European embassies, and other provincial houses. The Agent-General represented British Columbia's interests in such diverse places as Dublin, Glasgow, Edinburgh, The Hague, Leeds and Marseilles. He also served an 18 month term as president of the Canada-United Kingdom Chamber of Commerce beginning on January 1, 1983.

In March 1984 B.C. House was honoured with a visit by the Hon. R.B. Rogers, Lieutenant-Governor of British Columbia, and Mrs. Rogers. On March 7th, His Honour and Mrs. Rogers had an audience with Her Majesty the Queen and that evening His Honour was the guest speaker at the Timber Trade Federation annual dinner.

B.C. House welcomed several delegations from British Columbia during the period covered by this report. It continued its traditional role as an affectionate reminder of home and a drop-in point for visitors from British Columbia, providing travel and accommodation assistance and information, mail pick-up service, a reading room featuring British Columbia newspapers, and information regarding legal assistance, social and medical services, vital statistics and drivers licences.

It also distributes *The British Columbia Newsletter* monthly throughout Britain and the Continent to businesses, financial organizations, and individuals with an interest in the province. The publication carries news of industrial, financial, tourist and social developments in British Columbia.

Its repertoire of services to attract interest in British Columbia includes a film and slide library with appeal to schools and travel agencies, and a promotional program that arranges for journalists and other media personnel to travel to British Columbia.

The staff of B.C. House participated with many Canadians and others in the London Terry Fox Marathon. The run raised some 4,878 pounds, equally divided between the Canadian Cancer Society and the British Cancer Research Campaign.

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